

LIVERMEAD AND PRESTON U3A FINANCE POLICY 2022/23

1. Trustees' financial responsibilities:

The Trustees of Livermead and Preston u3a are responsible for:

- Safeguarding the assets of the Livermead and Preston u3a.
- Identifying and managing the risk of loss, waste, theft or fraud.
- Ensuring the financial reporting is robust and of sufficient quality.
- Keeping financial records in accordance with the governing document.
- Preparing Annual Accounts in accordance with the governing document.
- The accounts should show a true and fair view of the state of affairs of the u3a.
- Trustees are jointly responsible for keeping full financial records. These include those of the u3a and any interest group, where applicable.

To enable the Trustees to carry out these responsibilities, the financial procedures detailed below will be followed. A copy of this policy will be given to all Trustees on their election / appointment to the Committee and made available to members on the website. The policy will be kept under review and revised as necessary.

2. Banking

2.1. Bank accounts

- All bank accounts are in the name of Livermead and Preston u3a and operated by the Trustees.
- Responsibility for proper financial management lies with all Trustees although much of the day to day work is delegated to the Treasurer.
- New accounts may only be opened by a decision of the Trustees, which must be minuted.
- Changes to the bank mandate may only be made by a decision of the Trustees, which must be minuted.
- The authorised signatories are the Chairman, Vice Chairman, Secretary and Treasurer. This responsibility cannot be delegated.
- All cheques must be signed by two signatories.
- The signatories are responsible for examining the cheque for accuracy and completeness.
- The signatories are responsible for examining the payment documentation (purchase invoice etc.) prior to signing the cheque or authorising an internet transfer.
- All bank statements must be sent to the Treasurer directly.
- Blank cheques will never be issued.
- Whenever practical two people should be involved in counting cash receipts.

2.2. Online banking

Operation of the online banking service is under the sole control of the Treasurer who has full access rights including the appointment of any secondary users on the account, as may be felt necessary. Any payment made via internet banking overrides the dual control aspect of the payment authorisation process and is only allowed with the agreement of the Committee.

2.3. Payment by bank cards

The issue of any bank debit or credit card in the name of Livermead and Preston u3a will be approved by the Committee, and the card will be held solely by the Treasurer. The use of these cards overrides the dual control aspect of the payment authorisation process, but is permitted, where agreed in advance, in recognition that online purchases for certain goods and services represents the most effective, and in some cases, the only method of

completing the purchase (e.g. theatre tickets). The committee will predetermine the spending limits for any card: the limit may be per transaction, per day or per month.

All transactions made using the card are subject to review by the Committee and all payments must be supported by an invoice or receipt made out to Livermead and Preston u3a.

2.4. Personal debit or credit cards

The use of personal debit or credit cards for u3a activities needs to be closely managed. Prior approval must be given by the Committee for equipment and other items to be purchased for the use of Livermead and Preston u3a or specific interest groups. In these circumstances, it may be appropriate for a member to purchase the equipment themselves and then claim the cost as a personal expense claim.

3. Groups' finances

Interest groups are expected to be self-financing and can collect such sums of money as the group members and leadership deem to be necessary to undertake their activities. Any surplus funds of such activities belong to the u3a. The Treasurer, Groups Co-ordinator and Group Facilitator(s) need to agree what records need to be kept of the groups transactions in order to maintain transparency and trust for all concerned and to minimise the risk of error and potential loss of funds. The committee (via the Treasurer) may monitor the income and expenditure of the groups and Group Facilitators may need to provide regular information, as agreed, to the Treasurer.

4. Social activities

Events such as theatre trips, visits or social functions must be charged at cost and all participants pay appropriately. All such activities are to be self-financing. The organiser of an event must not benefit from any discount (e.g. a free place) offered by the organisation providing the event. The value of free places must be shared out among all participants to the event.

Out-of-pocket expenses can be paid to an organiser out of the money collected for the event. As all u3a members offer their services free to the movement, the organiser(s) must not get any pecuniary reward for organising an event.

5. Payments to other charities

In line with charity law, a u3a cannot raise funds for another charity that does not have similar charitable objectives. Livermead and Preston u3a will make payments to speakers who have indicated that they intend to donate their fee to a specific charity but not direct to their nominated charity.

5. Expenses Policy

Out of pocket expenses incurred by the volunteers who are involved with running the u3a will be reimbursed. Detailed expense claims must be submitted with receipts. Expense claims will be authorised by the Executive Committee and no committee member should authorise their own claim. Expenses will include – with Committee approval – attendance at the Trust's AGM and Conference or national/regional workshops.

Expense claims should reflect the cheapest travel option available. Travel by car will be reimbursed at the current HMRC approved rate for the actual mileage travelled. Car parking and congestion charges can be reclaimed (with receipts) but parking fines or other fines will not be allowed.

Overnight accommodation will only be allowed in exceptional circumstances and will need the prior agreement of the Executive Committee.

Nominal gifts and floral tributes may be paid for, at the discretion of the Committee.

3. Membership Fees and Membership of more than one u3a

The membership fee is reviewed on an annual basis. Livermead and Preston u3a is committed to keeping the membership subscription as low as possible to ensure that the u3a remains accessible to all members.

For u3a members who can evidence membership of another u3a, Livermead and Preston u3a will reduce the cost of membership by the amount that is paid to the Trust for each member.

Annual fees are to be collected by the Membership Secretary who will keep the appropriate records and transfer the monies collected to the Treasurer, where these have not been taken electronically. Details of electronically collected payments must be submitted to the Treasurer.

Monthly meeting fees are collected by the Secretary, (or another member of the Committee if necessary) and a record kept of attendance. The Treasurer will be responsible for banking these fees and retaining the agreed float.

4. Asset register

An asset register is maintained by the Treasurer which records all assets held including their initial purchase price, date of purchase, estimated nominal value and location. It should be noted that under a receipts and payments reporting system, all assets are fully written off against receipts in the year of purchase. The register is reviewed annually.

5. Reserves

Livermead and Preston u3a aims to keep a level of reserves that will cover 6 months of regular operating activity. This is considered by the Committee to be a reasonable level for this type of charity.

Social account activities are excluded from this figure as these activities are inflated by high-cost activities such as theatre visits and days out and are entirely self-financing.